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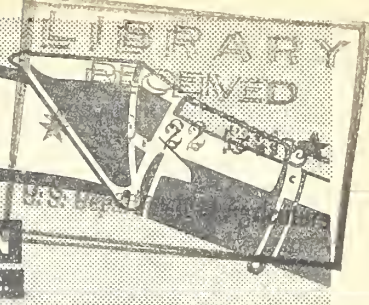
NEWSLETTER

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THE FEDERAL CROP INSURANCE CORPORATION

U. S. DEPARTMENT OF AGRICULTURE

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Number 32

SET COTTON CONTRACT GOAL AT 500,000; DENVER PICKED FOR FALL WHEAT CONFAB

Discussion Topics To Include Long Term Insurance

Preparations are under-way for the fourth annual national wheat crop insurance conference this fall.

Denver, Colo., has been selected for the meeting, the first time since the first year of the program that the conference has been held in a city other than Washington, D. C. The meeting will take place Nov. 18 to 21, inclusive.

Regional directors of the Agricultural Adjustment Administration already have asked states in their regions to submit suggestions for improvements in the wheat insurance program.

Early replies to the inquiries indicate that serious consideration will be given to some form of a long-term contract or automatic insurance. It was recalled that this subject was discussed at length at the last conference, but action on this suggested change was held in abeyance pending further study.

Advocates of a long-term contract or automatic

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insurance point out that such an arrangement would reduce, if not eliminate entirely for a period of time, the adverse selection of risks. Then, too, administrative costs could be reduced by minimizing the frequency with which committeemen are now required to solicit farmers for participation in the program.

Another suggestion received concerns yields and rates and a shorter method of compiling them.

You can get defense bonds and stamps at banks, post offices, savings and loan associations, many production credit associations, and other convenient places in your neighborhood.

Plans Completed For Kickoff Meeting Dec. 10-11

A national goal of half a million contracts has been set for the new cotton crop insurance program, which will get under way first in Texas within the next 60 days.

The bulk of the preliminary work on the new program has been completed and procedures and forms are being printed. Production and distribution of this material has been slowed by national defense work which has deterred quick delivery of printing.

Tentative plans have been made for formal launching of the cotton insurance program at a kick-off meeting, probably Dec. 10 and 11. The program still is under discussion but arrangements are expected to be made for one of the leading officials in the Department to deliver the main address at the meeting. Leroy K. Smith, manager, and J. Carl Wright, assistant to the manager, will be other speakers on the program. One of the two
(See COTTON page 7)

Newsletter is designed to inform field workers of the A. A. A. and F. C. I. C. of developments in the crop insurance program and is not for general distribution.

INSECT DAMAGE TO WHEAT WANES SURVEY REVEALS

Insects again took their toll of the wheat crop in some of the nation's largest producing states this year, but losses were fewer and damage comparatively light in contrast to past years.

The Bureau of Entomology and Plant Quarantine reported grasshoppers damaged the wheat crop to the extent of about 10 percent in western Kansas counties while in North Dakota the pests caused less than two percent damage to crops in the northeastern part of the state.

The central part of South Dakota was hardest hit. There hopper damage to small grain was estimated at between 10 and 12 percent. The report said Mormon crickets caused more damage than usual in Lyman County, S. Dak.

Hessian fly infestation in Ohio increased greatly over last year, and although not severe enough to reduce wheat quality or yields generally, did cut into production in the northwestern part of the state.

In North Dakota Hessian flies caused 15 to 20 percent injury to wheat near Tokio with less extensive damage in other localities of the state. Nebraska experienced heavy infestations and serious damage to wheat in southeastern counties, the report said, pointing out

ZEROS WITH NUMBERS MAKE WASH. HEROES

The Washington AAA Committee spurred its counties on to greater efforts this year with a weekly report of how each county committee was progressing in its sign-up campaign. In announcing the plan, the state office bulletin, "Wheat Notes," said:

"So, let's go to town, or better yet, let's go to the country and sign 'em up 100 percent. We don't want any county on our list with a goose-egg for a score. Any number of goose-eggs will be welcome, however, if they are preceded by any number from 1 to 99.

"So, let's go, counties! Let's make this a banner year!"

Moved To Richmond

The eastern branch office of the Corporation has moved to Richmond, Va. Upper Darby, Pa., near Philadelphia, first was considered but the Corporation was unable to obtain adequate space at the last minute, necessitating transfer of the office to Richmond where offices finally were leased.

that in a considerable number of fields from 75 percent to 95 percent of the plants were infested.

Flies caused considerable loss in eastern and southeastern Kansas for the first time in many years. Wheat stem maggots were numerous in St. Louis County, Minn., and injured wheat in Polk County, Nebr.

CROP RISK "PAT" HAND WINS FOR MINN. FARMERS

By Harry Aspleaf

Ada, Minn.----Mother Nature played about every crop destructive card in her deck in Norman county this year, but she couldn't beat the "pat" hand held by farmers carrying a Federal Crop Insurance "all-risk" policy on their wheat.

Early this spring she sent flood waters over the northern part of the county, but after the deluge the crops came right back, and in June prospects for a bumper wheat crop were never better.

Then she started playing cards for keeps. Freakish storms struck the county, causing hail, flood, and wind damage to crops and property damage ranging into thousands of dollars.

On June 30 a severe hailstorm hit a part of the best wheat area in the county. Fifteen claims for losses totaling 4,176 bushels of wheat were filed in the county AAA office after this storm. Still a larger number of partial losses will be paid after threshing.

On July 17 a hail, wind, and rainstorm visited another community. From this storm there were reports of total losses on 12 farms protected by Federal crop insurance "all-risk" policies and partial losses on several more. Besides crop damage, barns and small buildings were blown down and trees uprooted.

(See ASPLEAF page 7)

WALLA WALLA PCA BORROWERS MUST TAKE CROP RISK

The effect of crop insurance on the credit standing of an individual farmer is emphasized by the Walla Walla Production Credit Association, which makes crop insurance a requirement for most loans, according to the "Wheat Notes" bulletin published by the Washington AAA Committee.

Letters sent stockholders by the Walla Walla association had this to say about crop insurance and credit:

"With such a short time in which to secure this protection we consider it advisable to remind our members as to the necessity of taking immediate action. This arrangement will assist in protecting your line of credit with any financing institution through which you intend to finance your crop operations.

"As a matter of policy, this association feels it is sound business for a farmer to protect his line of credit with his financing institution and Federal crop insurance will, in many cases, be required on loans made this fall."

Wheat Notes has this to say about the Association's comment:

"If a wheat farmer could count on consistently favorable growing conditions that would assure him a crop of wheat to sell every year, the maintenance of good credit (See BORROWERS page 6)

THAT'S RIGHT, HE'S J. CARL WRIGHT



Genial and considerate, he never had a nickname... But he is fearful that he might get one pretty soon and that it will be "Baldy." ...His friends whisper the reason for his sparse looks is his thrilling experience on his Dad's Oklahoma farm....He was 12 then... Unhitching mules after plowing, his feet got tangled in the reins and one of the critters took off for the horizon with J. Carl Wright bumping and thumping the ground like a jitterbug stomping the dance floor..His daddy got him free just before the mule leaped a fence. Wright grew up on that farm which his father homesteaded in 1892.....He learned his readin', ritin', and 'rithmetic at Sentinel, Okla....Even as he started to school he carried an early ambition to be a good public speaker. (He used to scribble what he called speeches when he was five years old)..... Later Connors State School

REPORT WEEVIL LOSSES HIGHEST IN TEN YEARS

Boll weevils have destroyed more cotton this year than in any other year during the last ten years according to reports from the cotton belt.

Some fields in Georgia, where from 40 to 50 percent of the crop has been eaten, show an infestation of as high as 80 percent. South Carolina also was hard hit. Infestation in South Field in Florence County, South Carolina, reached virtually 100 percent.

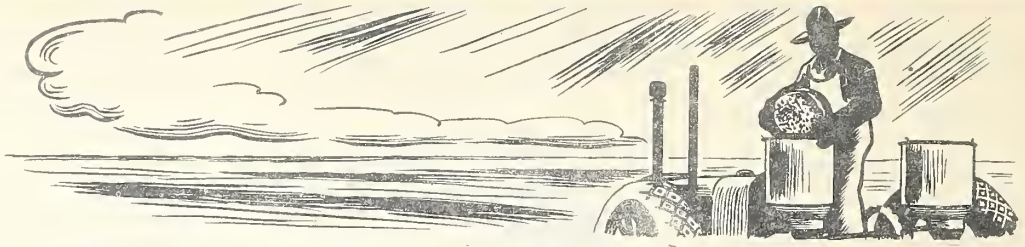
Lack of dusting material handicapped control work in Louisiana, where officials reported weevil infestation was the heaviest in that state for the last 15 years. Similar reports were received from Arkansas, Texas, too, said weevil destruction was heavier in that state than in recent years. Oklahoma experienced one of the worst infestations in many years in the south-central, southeastern, and eastern parts of the state.

The southern two-thirds of Mississippi suffered severely, although heavy infestations also were recorded in most of the rest of the state.

of Agriculture at Warner, Okla., knew him as a student and forward on the basketball team...He developed a liking for all sports in those days and still enjoys them...Wright plays, or shoots, at golf nowadays when he can find

(See WRIGHT page 8)

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Dear Sir:

This year, for the first time, you have an opportunity to be sure of a cotton crop by insuring your crop before you plant. Never before has any cotton grower known BEFORE the cotton was picked that he would BE SURE of getting at least part of a crop. The new cotton crop insurance plan of the United States Department of Agriculture, offered you by the Federal Crop Insurance Corporation, now makes that possible. This means guaranteed cotton income for you. It is your defense against crop failure. See your local AAA committee NOW about insurance on your crop.

Very truly yours,

_____, Chairman
AAA Committee

Three direct mail post cards in color will be available to the 19 states offering cotton crop insurance to growers. No. 1, for distribution first, is yellow; No. 2, for distribution shortly before the final date for accepting contracts, is red; and No. 3, to be mailed farmers several weeks after the closing date, is pink. Prompt requests for the number needed in each state will assure early delivery.



Dear Sir:

Have you ever lost money because your cotton crop was destroyed by drought or insects? Every cotton grower faces this danger every year. Now, however, there is no need to gamble on this possible loss. Federal crop insurance for cotton will protect you from these and all other unavoidable loss hazards. Crop insurance means assured cotton income every year. It will not cost much. And it doesn't take any immediate cash or cotton outlay to get this insurance. You must insure before you plant, however. See your local AAA committee NOW about your cotton insurance for next year. Crop insurance is available to ALL cotton growers.

Very truly yours,

_____, Chairman,
AAA Committee

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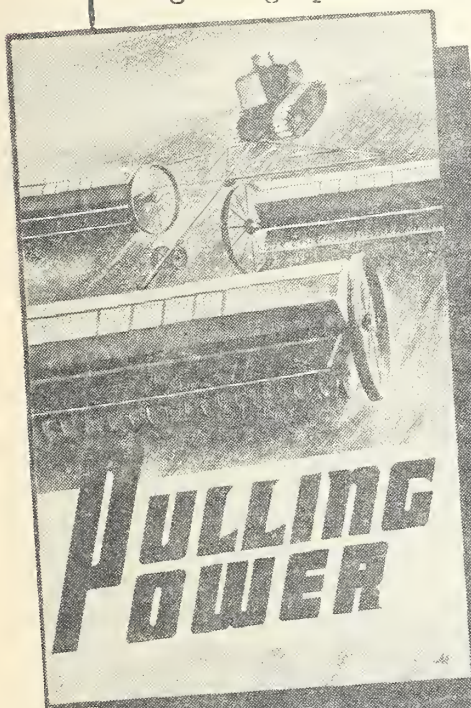


Dear Sir:

We are glad to have had the opportunity of making crop insurance available to you. We hope--and you do too, we know--that you will get a good crop. But it does give us great satisfaction, as it must you, to know that if you lose all or part of your cotton crop you will still get a cotton income. Crop insurance guarantees you that. It is our desire to be of the greatest possible service to you in your farming operations. If we can be of any possible assistance, or, if you believe you have suffered a partial or total crop loss, please don't hesitate to call on us. You have our best wishes for success in your cotton growing operations this year.

Very truly yours,

_____, Chairman
AAA Committee



**PULLING
POWER**



**Quiz
Questions**

Two new leaflets are available for spring wheat insurance drives-- Pulling Power and Quiz Questions--the latter a question and answer leaflet. Both were designed for use the past summer, but delay in publication caused by defense work made that impossible. If winter wheat states find no use for this material at winter meetings, it is suggested Pulling Power could be used in connection with the sign-up drive for 1943. In such case, please order early.

WICKARD SOUNDS FARM CALL FOR DEFENSE AIDS

Farmers throughout the Nation will soon be moving into action after considering Secretary Wickard's plan for "all-out" mobilization of farm production in 1942.

The Farm Defense Program is urging every farmer to do everything he can to meet goals for increased production in certain lines--principally, milk, eggs, and hogs. Greater production of livestock products is the major objective together with expanded production of oil-producing crops, and current production or perhaps less of cotton, wheat, and tobacco.

The program has been developed through a series of regional meetings at Salt Lake City, New York City, Chicago, and Memphis. State Defense Boards and other Department of Agriculture representatives, farm organization leaders of every state and members of State Land Use Planning Committees are cooperating.

They have discussed estimated goals and planned for participation of every farmer. State and county U.S.D.A. Defense Boards head the campaign and are taking charge of the contact work in the field, using farmer committees enlisted from the farm programs. Every farmer will be visited by an AAA committeeman and defense farm plans and production

(See WICKARD page 8)

Timely Tips

The Kansas AAA Committee in its newsletter to committeemen had this to say about crop insurance:

"Remember that crop insurance is a product that MUST BE SOLD. The best line of insurance in the world is no better than its salesmen."

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BLUEPRINTS FOR CROP INSURANCE, A HANDBOOK FOR COMMITTEEMEN, WILL BE PRINTED AS SOON AS POSSIBLE. IT WILL BE PUT OUT IN A POCKET-SIZE EDITION AND TENTATIVE PLANS CALL FOR A LOOSE-LEAF BINDING SO THAT IT CAN BE KEPT UP-TO-DATE WITHOUT REPRINTING THE ENTIRE BOOKLET.

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North Carolina instituted a county scoreboard plan during the 1942 campaign. It ranked the counties according to the number of contracts written. Copies were sent to each county to encourage the lower-ranking areas to raise themselves in the standings.

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THE WASHINGTON OFFICE HAS RECENTLY RECEIVED A NUMBER OF REQUESTS FOR CROP INSURANCE INFORMATION MA-

TERIAL FROM VOCATIONAL AGRICULTURE INSTRUCTORS, TODAY'S STUDENTS ARE TOMORROW'S FARMERS. HAVE YOU OPENED ANY MEANS OF CONTACT WITH AG STUDENTS AND INSTRUCTORS IN YOUR STATE?

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Michigan imposed a new "house rule" during August, requiring everyone in the state office answering a telephone call from crop insurance counties to ask, "How's your crop insurance campaign getting along?" during the first minute of the conversation. And who were the first ones who failed to do this? That's right, two men in the crop insurance division.

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OHIO HAS SENT A NOTE TO ALL COUNTY CHAIRMEN SUGGESTING A ROUNDUP NEWS STORY ON RESULTS OF THE RECENT SIGN-UP CAMPAIGN AND LISTING SEVEN POINTS TO BE EMPHASIZED. IN ADDITION, THE CHAIRMEN WERE ASKED TO RETURN TESTIMONIALS FOR GROWERS AND TO SEND A COPY OF THEIR STORY TO THE STATE OFFICE. THE BEST YARN WILL BE REPUBLISHED IN THE OCTOBER ISSUE OF "FARM RECORDS."

BORROWERS

(Cont'd from page 3)

might be a simple matter. But there is never anything very certain about the weather and there's no assurance that every

crop seeded will be harvested. In most cases, credit hinges on the success or failure of a crop, which means that a lot of operators are farming with the sword of Damocles suspended by a silken thread over their heads."

ASPLEAF

(Cont'd from page 2)

During the same night, hail struck in another section of the county and a claim for 914 bushels of wheat was made by a single policyholder in addition to numerous smaller claims.

On July 23 hail again fell causing a total loss on one farm and partial loss on several others. Two sections of the county experienced hailstorms on August 1. In one community the crops in a six-mile square area were completely destroyed.

And still Mother Nature had cards to play. On August 3 a heavy wind, accompanied by rain and some hail, caused additional damage to crops. Swathed wheat was scattered in adjoining fields, ditches, and against fences. Shocked wheat was blown down and scattered, some bundles were found the following morning on the telephone wires.

Excessive moisture early in the growing season caused an abnormal growth of weeds that choked the wheat and caused loss claims. Rust caused some damage and extreme heat in July cut the yield on late wheat.

Farmers and merchants in such communities over the state have a new respect for the Federal crop insurance "all-risk" program. They point to the fact that there will be some income in place of total loss.

John A. Kroshus of Norman County is a good (See ASPLEAF page 8)

IN THE SPRING--MAD IN THE FALL---GLAD

Hail struck in Buffalo County, South Dakota, twice in one week during July, causing much damage and reducing the crops in an entire township.

One farmer who refused to insure his wheat confessed to a community committeeman, "I thought the idea of crop insurance was foolish, but now I'm the fool."

Another grower had insured his crop but later wished he had not done so.

"I was mad at you all spring for selling me the insurance, but now I thank you," he told his community committeeman, because he also saw his crop destroyed by the storm and was protected against loss by his insurance contract.

Nineteen contracts had been written in Elvira Township, where hail damaged crops on every farm. Most of the insured collected indemnities. Frank Anderson is the committeeman for that township.

John F. Mayer, adjuster in Buffalo County, reported hail also caused much damage in Eldorado Township. At least seven insured growers in that area collected indemnities.

Tour arrangements for a national defense program exhibition train leaving Washington this month for a two-month trip throughout the country have been completed. Stops of one to two days will be made in each of some 39 cities in this country and Canada.

COTTON

(Cont'd from page 1)

days will be devoted to a discussion and explanation of the more technical phases of the program for the benefit of field workers.

Washington actuarial experts and fieldmen held training schools in cotton states preliminary to the drive for applications. The meetings were held at Dallas, Tex., Sept. 15 and 16, and at Birmingham, Ala., September 18 and 19, with state administrative officers, state statisticians, and crop insurance supervisors attending. Training schools in the various states have been planned on a district basis starting immediately after the Dallas and Birmingham meetings so that all Agricultural Adjustment Administration workers dealing with the insurance phase of the national farm program will be able to carry the insurance plan to farmers before planting time.

Many of the features of the wheat crop insurance plan have been adopted for the cotton program, including automatic transfer of interest, commodity note method of paying premiums, certificate of indemnity for the payment of indemnities, and, of course, extent of coverage and hazards against which the farmer is protected.

Deadline dates for the writing of insurance have not been decided. States have suggested dates for their areas and a determination will be made on the basis of these recommendations.

WRIGHT

(Cont'd from page 3)

the time, which isn't often. From Connors School he went to Southwestern State Teachers College at Weatherford, Okla., whence he returned to the Wright farm in 1920...He was married by that time and had already achieved much satisfaction from reading biographies and an equal pleasure in eating beefsteak, well done. (He doesn't want it rare. J. Carl has seen steers get well that were hurt worse than some rare beefsteaks.) Biographies and beefsteaks are still his favorite reading and eating diets, respectively...Bending his efforts to farming, Wright built the place into 590 acres, where today he grows cotton, wheat, corn, and raises livestock...Between times he served as secretary-treasurer of a cooperative gin from 1929 to 1938, a member of the board of directors and president of the Washita County Fair Association, a member of the board for the Western Oklahoma Fair, and a member of the lower house in the Oklahoma legislature in 1935....He did not run for reelection.... His farm program work dates back to 1933 when he was chairman of the county wheat allotment committee and for the county cotton allotment committee. Later he was chairman of the consolidated committees....He became a member of the state wheat board and ultimately state crop insurance supervisor in 1938...In January 1941 Wright was named acting state administrator.

WHEAT, COTTON, SHOW GAINS IN AUGUST INCOME

Increased returns from wheat during August was a big factor in boosting August farm income to 1,114 million dollars compared to 749 million dollars for August a year ago, the Bureau of Agricultural Economics reports.

The increase in total farm income, the bureau said, included cash from farm marketings and government payments and was 49 percent greater than for the same period a year ago.

Wheat placed under loan in August accounted for an estimated 200 million dollars compared with a little more than 60 million dollars for the same period in 1940. Income from most other crops also was greater than a year ago, principally because of an advance of six points in the prices of farm products.

Redemption of 1938 and 1940 cotton formerly placed under loan boosted cash income from cotton during August, the bureau said. Farm income from cotton and cottonseed was 60 million dollars compared to 33 million dollars for August 1940.

Of the total cash income, 20 million dollars was due to government payments in August and 1,094 million dollars was from farm marketings.

In July of this year he was appointed assistant to the manager of the Federal Crop Insurance Corporation to assist in administering the cotton insurance program.

ASPLEAF

(Cont'd from page 7)

example of how farmers benefit from Federal crop insurance. Last winter he insured his income on 83.7 acres of wheat. It cost him \$52.50. Hail caused a total loss on his wheat crop. His adjustment calls for a payment of 866 bushels of wheat. If he places this wheat under government loan at \$1.01 a bushel, Norman County loan rate, he will receive an income of better than \$870.

Norman County sold 1,197 policies on the 1941 crop. In a few weeks the county AAA committee will start a campaign to encourage farmers to insure production on the 1942 crop. William F. Fredrickson, AAA chairman for the county, expects a rushing business. Mother Nature proved a good saleswoman on selling farmers the value of Federal "all-risk" crop insurance.

WICKARD

(Cont'd from page 6)

goals for the individual farm will be drafted. This will determine how much each farm can contribute toward reaching production goals. All farm production is being aimed at exact needs.

View of Secretary Wickard on national defense and agricultural responsibilities are summarized in a new booklet, "Farmers and Defense."

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Crop insurance builds morale by providing security and freedom from worry for the wheat and cotton grower.